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September 2, 2004

**VIA ELECTRONIC FILING**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Room TW-B204  
Washington, DC 20554

**Re: Federal-State Joint Board on Universal Service**  
**CC Docket No. 96-45**

Dear Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral *ex parte* presentation in connection with the above-captioned proceeding.

On Wednesday, September 1, 2004, undersigned counsel, on behalf of RCC Minnesota, Inc. ("RCC"), U.S. Cellular Corporation ("USCC"), Midwest Wireless Communications, L.L.C. and N.E. Colorado Cellular, Inc., along with Brooks Harlow on behalf of RCC, and Mark Trinchero on behalf of USCC, met with Jeffrey Carlisle, Narda Jones, Anita Cheng, Thomas Buckley, Vickie Robinson and Richard Lerner. No materials were distributed at the meeting.

We discussed the pending petitions for service area redefinition filed by RCC Minnesota, Inc. (Maine), the Minnesota Public Utilities Commission, the Oregon Public Utility Commission ("OPUC"), and the Colorado Public Utilities Commission. We urged the Commission to not open a proceeding in the Oregon case and to move quickly to resolve the open proceedings in the other cases in order to bring service to rural consumers in accordance with the designations made by the various states.

In response to questions from the staff, we provide the following additional information concerning the pending petitions for redefinition filed by OPUC. Staff inquired about whether OPUC addressed the possibility of cream skimming in their orders designating RCC and USCC. In its RCC Order (Docket 1083), OPUC addresses this issue on pages 11 and 12, specifically citing data in the record concerning CenturyTel's service area. Additionally, at page 15 of its Order, the OPUC incorporated the aforementioned cream skimming analysis into its discussion and decision on redefinition. Although the OPUC relied on actual cost data to determine that redefinition would not have the effect of cream skimming, the underlying record also contained density analysis similar to that examined by the FCC in Virginia Cellular and Highland Cellular.

In its USCC Order (Docket 1084), OPUC addresses the cream skimming issue on pages 10-12, specifically citing cost and density data in the record concerning the service areas of CenturyTel, Cascade Utilities, and OregonTel, similar to that examined by the FCC in Virginia Cellular and Highland Cellular. Sprint/United did not oppose USCC's application. Additionally, at pages 14-16 of its Order, OPUC incorporated the aforementioned cream skimming analysis into its discussion and decision on redefinition.

In response to the concerns about whether OPUC properly considered line density in its cream skimming analysis, we direct the Commission's attention to Reply Comments submitted on August 9, 2004, in which RCC and USCC set forth a detailed response, including the attachment of line density data considered by OPUC. Finally, we confirm our statement that in fact CenturyTel has disaggregated its universal service support in Oregon.

If, after reviewing OPUC's designation orders and RCC's and USCC's reply comments, any questions remain, please contact undersigned counsel directly.

Sincerely,

/s/

David A. LaFuria

cc: Jeffrey Carlisle, Esq.  
Richard Lerner, Esq.  
Vickie Robinson, Esq.  
Narda Jones, Esq.  
Anita Cheng, Esq.  
Thomas Buckley, Esq.  
Mark Trincherro, Esq.  
Brooks Harlow, Esq.